

EXHIBIT B - CONDITIONS OF APPROVAL

Approved Development

1. This Minor Use Permit authorizes the following, as shown on exhibits contained herein:
 - a. Construction, maintenance, and operation of a 3.9-mile segment of the proposed 5.6-mile oil pipeline and appurtenant facilities within unincorporated County of San Luis Obispo.
 - b. In-kind replacement of oil facilities and associated piping within the Freeport McMoran oil field.
 - c. Construction of pipe above grade within existing pipe corridors on the Freeport McMoran Oil field.
 - d. Construction of pipe above Pismo Creek via an existing pipe bridge that supports existing oil pipelines.
 - e. Construction of pipe within the right-of-way of Ormonde Road to Old Oak Park Road to Oak Park Road to the terminus of unincorporated San Luis Obispo County boundary.
 - f. Construction of above ground facilities at the existing Summit Station facility located at 1364 Dale Avenue, south of Arroyo Grande.
 - g. Replacement in-kind of an existing 32-foot segment of pipeline within Arroyo Grande Creek.

Conditions required to be completed at the time of application for construction permits

Site Development

2. **At the time of application for construction permits** plans submitted shall show all development consistent with the approved site plans and pipeline alignment.

Fire Safety

3. **At the time of application for construction permits**, all plans submitted to the Department of Planning and Building shall meet the fire and life safety requirements of the California Fire Code. Requirements shall include, but not be limited to those outlined in the Fire Safety Plan, prepared by the CalFire for this proposed project and dated January 8, 2014 (see Exhibit F).

Biological Resources

4. **At the time of application for construction permits**, occurrences of Pismo clarkia, Well's manzanita, Santa Margarita Manzanita and oak trees within the shoulder or in close proximity to construction activities shall be identified on final construction plans, consistent with the findings of the biological survey report prepared by Dianne L. Mitchell dated August 2012.

Conditions to be completed prior to issuance of a construction permit

Air Quality

5. **Prior to issuance of construction permits**, the applicant shall demonstrate compliance with California Air Resources Board regulation 93105 - *Asbestos Airborne Toxic Control Measure for Construction, Grading, Quarrying, and Surface Mining Operations*. The applicant shall provide to each jurisdiction the resulting Asbestos Dust Control Plan upon completion, unless preparation of an Asbestos Dust Control Plan is not required by the APCD as determined by the exemption process contained in regulation 93105.

Biological Resources

6. **Prior to issuance of construction permits**, a worker education program shall be prepared and presented to all construction personnel at the beginning of the project by a County approved biologist. The program shall discuss sensitive species with potential to occur in the construction zone, with emphasis on Pismo clarkia, manzanita, oak trees, and riparian habitats. The applicant shall provide verification from the selected biologist that the worker education program has been prepared and implemented.
7. **Two weeks prior to commencement of construction**, the applicant shall retain a County approved biologist to perform pre-construction surveys for Pismo clarkia, Well's manzanita, Santa Margarita Manzanita plant species. No construction staging areas shall be located where Pismo clarkia and Well's and Santa Margarita manzanita is known to occur based on the biological survey report prepared by Dianne L. Mitchell dated August 2012 or identified in the pre-construction survey.
8. **Prior to issuance of construction permits**, all conditions of permit issuance shall be provided to the County to ensure compliance with applicable measures required by Army Corp of Engineers, California Department of Fish and Wildlife, and the Regional Water Quality Control Board. All areas of disturbance within Arroyo Grande Creek shall be fully restored and a restoration plan, consistent with the requirements of other permitting agencies, shall be submitted to the County prior to construction. In addition, the following mitigation measures shall be implemented:
 - a. Prior to any activity within the stream, the applicant shall identify the limits of the required access routes and encroachment into the stream and ponded areas.
 - b. If any general wildlife is encountered during the course of project-related activities, it shall be allowed to leave the construction area unharmed.
 - c. Clearing of vegetation for construction shall be limited to the minimal amount necessary to complete the Project.
 - d. Vegetation or material removed from the project site shall be disposed of at an appropriate and legal off-site location where the material cannot enter the stream channel. No such material shall be stockpiled in the streambed, banks, or channel, except that native vegetation removed from the channel may be chipped and the chips used as mulch for disturbed soil sites in or near the Project area.
 - e. Any equipment or vehicles driven and/or operated adjacent to the stream shall be checked and maintained daily to prevent leaks of materials that, if introduced to water, could be deleterious to aquatic and terrestrial life.

- f. No work within the banks of the stream will be conducted during or immediately following significant rainfall events (one-half of 1-inch in any 24-hour period) or when there is water flowing within the channel (i.e., not being diverted).
 - g. A mitigation plan shall be prepared by a qualified biologist and shall include success criteria, monitoring methods, a monitoring schedule, contingency planning, weed control/management provisions, irrigation methods and schedule, and annual reporting requirements. Created riparian and wetland habitat shall be monitored for a minimum of five years or as otherwise determined by the permitting agencies.
 - h. A qualified biological monitor shall be present during the installation of the cofferdam, staging areas, and parking areas so as to minimize disturbances. The biologist shall be certified to handle steelhead trout and California red legged frogs. The biologist shall monitor ponded water at the cofferdam and relocate any wildlife that may become impounded.
9. **Prior to issuance of construction permits**, the applicant shall submit a Monitoring Plan, prepared by a County-approved archaeologist, for review and approval by the County Department of Planning and Building. The plan shall include the entirety of the pipeline 5.6 mile alignment. The intent of this Plan is to monitor all earth-disturbing activities in areas identified as potentially sensitive for cultural resources, per the approved Plan. The Monitoring Plan shall include at a minimum:
- a. List of personnel involved in the monitoring activities;
 - b. Inclusion of involvement of the Native American community, as appropriate;
 - c. Description of how the monitoring shall occur;
 - d. Description of frequency of monitoring (e.g., full-time, part time, spot checking);
 - e. Description of what resources are expected to be encountered;
 - f. Description of circumstances that would result in the halting of work at the project site (e.g., What is considered “significant” archaeological resources?);
 - g. Description of procedures for halting work on the site and notification procedures; and,
 - h. Description of monitoring reporting procedures.

Cultural Resources

10. **Prior to issuance of construction permits**, the applicant shall perform an extended Phase I survey in the area where construction would occur within the 150-foot buffer of the known archeological site on the Freeport McMoran Oil Field. If during cultural resource monitoring of any construction excavation, any buried, displaced, intact or isolated prehistoric cultural materials are unearthed, work in that area should halt until they can be examined by a qualified archaeologist and Native American representative and evaluated and appropriate recommendations made as outlined in California Environmental Quality Act.

Hazards and Hazardous Materials

11. **Prior to issuance of construction permits**, written notification shall be provided to the responding chief officer and fire station within the County and Cities of Pismo Beach, Grover Beach and Arroyo Grande to ensure an efficient emergency team response should the need arise. The notice shall also be provided to the County and Cities of Pismo Beach, Grover Beach and Arroyo Grande to ensure compliance. The notification shall include the following:
- a. Planned entry date/time and extent and duration of operation.

- b. A copy of Phillips 66 /CAL OSHA entry permits or checklist.
- c. Collapse risks and planned type of protection and rescue operations to be utilized and available.
- d. Command structure of on –site personnel.
- e. Emergency equipment available on site for soil removal, respiratory protection, lighting, monitoring, extrication and patient packaging equipment.
- f. Notification of completion of work.

Conditions to be completed during project construction

Air Quality

12. **During construction**, the applicant shall implement the following dust control measures:
- a. Reduce the amount of the disturbed area where possible;
 - b. Use of water trucks or sprinkler systems in sufficient quantities to prevent airborne dust from leaving the site. Increased watering frequency would be required whenever wind speeds exceed 15 mph. Reclaimed (non-potable) water should be used whenever possible; All dirt stock pile areas should be sprayed daily as needed;
 - c. Permanent dust control measures identified in the approved project revegetation and landscape plans should be implemented as soon as possible, following completion of any soil disturbing activities;
 - d. Exposed ground areas that are planned to be reworked at dates greater than one month after initial grading should be sown with a fast germinating, non-invasive, grass seed and watered until vegetation is established;
 - e. All disturbed soil areas not subject to revegetation should be stabilized using approved chemical soil binders, jute netting, or other methods approved in advance by the APCD;
 - f. All roadways, driveways, sidewalks, etc. to be paved should be completed as soon as possible. In addition, building pads should be laid as soon as possible after grading unless seeding or soil binders are used;
 - g. Vehicle speed for all construction vehicles shall not exceed 15 mph on any unpaved surface at the construction site;
 - h. All trucks hauling dirt, sand, soil, or other loose materials are to be covered or should maintain at least two feet of freeboard (minimum vertical distance between top of load and top of trailer) in accordance with CVC Section 23114;
 - i. Install wheel washers where vehicles enter and exit unpaved roads onto streets, or wash off trucks and equipment leaving the site;
 - j. Sweep streets at the end of each day if visible soil material is carried onto adjacent paved roads. Water sweepers with reclaimed water should be used where feasible;
 - k. All PM10 mitigation measures required shall be shown on grading and building plans; and,
 - l. The contractor or builder shall designate a person or persons to monitor the fugitive dust emissions and enhance the implementation of the measures as necessary to minimize dust complaints, reduce visible emissions below 20% opacity, and to prevent transport of dust offsite. Their duties shall include holidays and weekend periods when work may not be in progress. The name and telephone number of such persons shall be provided to the APCD Compliance Division prior to the start of any grading, earthwork or demolition.

Biological Resources

13. **During construction**, if Pismo clarkia is or will be impacted, the applicant shall notify the County, provide justification, and document the number of species that have been or would need to be removed. The applicant shall coordinate with the United States Fish and Wildlife Service to obtain the applicable permit required for removal of Pismo clarkia. The mitigation measures for Pismo clarkia shall include preparation of a restoration/mitigation plan that identifies various way to repopulate the species including but not limited to:
- a. Seed collection and banking
 - b. Replanting in areas where populations of Pismo clarkia occur
 - c. Monitoring of seedlings and re-vegetated areas monthly for the first three months, then quarterly for the next 12 months. After the first year, species shall be monitored on an annual basis for a period of three years, or until success criteria are met, whichever is shorter.

Cultural Resources

14. **During construction**, if any buried, displaced, intact or isolated prehistoric cultural materials are unearthed, work in that area should halt until they can be examined by a qualified archaeologist and Native American representation and evaluated and appropriate recommendations made as outlined in California Environmental Quality Act. In such an event, contact the San Luis Obispo County Building and Planning Department in San Luis Obispo, and appropriate city agencies if applicable. Such evaluations may include subsurface testing and laboratory analyses as needed.
- a. The monitoring plan shall also include provisions defining education of the construction crew and establishing protocol for treating unanticipated finds. In consultation with a County-approved archaeologist, the Applicant shall provide cultural resources awareness training to all field crews and field supervisors. This training will include a description of the types of resources that may be found in the project area, the protocols to be used in the event of an unanticipated discovery, the importance of cultural resources to the Native American community, and the laws protecting significant archaeological and historical sites. In addition, the Applicant shall provide all field supervisors with maps showing those areas sensitive for potential buried resources.

Hazards and Hazardous Materials

15. **During construction**, the following measures shall be implemented.
- a. No construction activities shall occur on high wind days if it would create an unacceptable fire risk.
 - b. No smoking shall occur except in designated areas per Public Resources Code 4255.
 - c. All applicable construction equipment shall have spark arresters. The spark arrester must present the space of exhaust or carbon or other flammable particles over 0.0232 of an inch, per Health and Safety Code 13003 and 13005.
 - d. No motor, engine welding equipment, cutting equipment, or grinding devices shall be operated without first clearing away all flammable materials within 30-feet, and having immediate access to a shovel and water filled backpack pump or water tended/water truck for extinguishing any potential fire risk.

Crime Prevention

16. **During construction**, the following measures shall be implemented.
 - a. Afterhours access points to construction staging areas shall be protected with adequate signage, lighting and security.
 - b. All construction equipment and vehicles shall be secured with a complete record of inventory.

On-going conditions of approval (valid for the life of the project)

17. This land use permit is valid for a period of 24 months from its effective date unless time extensions are granted pursuant to Land Use Ordinance Section 22.64.070 or the land use permit is considered vested. This land use permit is considered to be vested once a construction permit has been issued and substantial site work has been completed. Substantial site work is defined by Land Use Ordinance Section 22.64.080 as site work progressed beyond grading and completion of structural foundations; and construction is occurring above grade.
18. All conditions of this approval shall be strictly adhered to, within the time frames specified, and in an on-going manner for the life of the project. Failure to comply with these conditions of approval may result in an immediate enforcement action by the Department of Planning and Building. If it is determined that violation(s) of these conditions of approval have occurred, or are occurring, this approval may be revoked pursuant to Section 22.74.160 of the Land Use Ordinance.